

§ 1714.58 Amortization of principal.

(a) For insured loans approved on or after February 21, 1995:

(1) Amortization of funds advanced during the first 2 years after the date of the note shall begin no later than 2 years from the date of the note. Except as set forth in paragraph (a)(2) of this section, amortization of funds advanced 2 years or more after the date of the note shall begin with the scheduled loan payment billed in the month following the month of the advance.

(2) For advances made 2 years or more after the date of the note, the Administrator may authorize deferral of amortization of principal for a period of up to 2 years from the date of the advance if the Administrator determines that failure to authorize such deferral would adversely affect either the Government's financial interest or the achievement of the purposes of the RE Act.

(b) For insured loans approved before February 21, 1995, amortization of principal shall begin 2 years after the date of the note for advances made during the first and second years of the loan, and 4 years after the date of the note for advances made during the third and fourth years.

§ 1714.59 Rescission of loans.

(a) A borrower may request rescission of a loan with respect to any funds unadvanced by submitting a certified copy of a resolution by the borrower's board of directors.

(b) RUS may rescind loans pursuant to § 1714.56.

(c) Borrowers who prepay RUS loans at a discounted present value pursuant to 7 CFR part 1786, subpart F, are required to rescind the unadvanced balance of all outstanding electric notes pursuant to 7 CFR 1786.158(j).

**PART 1717—POST-LOAN POLICIES
AND PROCEDURES COMMON TO
INSURED AND GUARANTEED
ELECTRIC LOANS**

Subparts A–C [Reserved]**Subpart D—Mergers and Consolidations of Electric Borrowers**

Sec.

- 1717.150 General.
- 1717.151 Definitions.
- 1717.152 Required documentation for all mergers.
- 1717.153 Transitional assistance.
- 1717.154 Transitional assistance in connection with new loans.
- 1717.155 Transitional assistance affecting new and preexisting loans.
- 1717.156 Transitional assistance affecting preexisting loans.
- 1717.157 Requests for transitional assistance.
- 1717.158 Mergers with borrowers who prepaid RUS loans.
- 1717.159 Applications for RUS approvals of mergers.
- 1717.160 Application contents.
- 1717.161 Application process.

Subparts E–F [Reserved]**Subpart G—Federal Pre-emption in Rate Making in Connection With Power Supply Borrowers**

- 1717.300 Purpose.
- 1717.301 Policy.
- 1717.302 Definitions and rules of construction.
- 1717.303 Requirements of RUS documents.
- 1717.304 State regulatory authority rate jurisdiction.
- 1717.305 Pre-emption.
- 1717.306 RUS required rates.
- 1717.307 Distribution members' rates.
- 1717.308 RUS approval of nonconforming rates.
- 1717.309 Additional statutory pre-emption.
- 1717.310–1717.349 [Reserved]

Subpart H—Federal Pre-emption in Rate Making in Connection With RUS Electric Borrowers in Bankruptcy

- 1717.350 Purpose.
- 1717.351 Policy.
- 1717.352 Definitions and rules of construction.
- 1717.353 Requirements of RUS documents.
- 1717.354 Pre-emption.
- 1717.355 RUS required rates.
- 1717.356 Additional statutory pre-emption.

Subparts I–L [Reserved]**Subpart M—Operational Controls**

- 1717.600 General.
- 1717.601 Applicability.
- 1717.602 Definitions.
- 1717.603 RUS approval of extensions and additions.